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BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS

KRISTIN K. MAYES, Chairman  
GARY PIERCE  
PAUL NEWMAN  
SANDRA D. KENNEDY  
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AZ CORP COMMISSION  
DOCKET CONTROL

Arizona Corporation Commission

DOCKETED

FEB 13 2009

DOCKETED BY

DOCKET NO. E-01345A-08-0426

IN THE MATTER OF THE SALE AND  
TRANSITION BY ARIZONA PUBLIC SERVICE  
TO ELECTRICAL DISTRICT NO. 3 OF CERTAIN  
ELECTRICAL FACILITIES IN PINAL COUNTY  
PURSUANT TO A.R.S. § 40-285(A) AND FOR  
DELETION FROM ITS CERTIFICATE OF  
CONVENIENCE AND NECESSITY CERTAIN  
AREAS OF PINAL COUNTY.

PROCEDURAL ORDER

**BY THE COMMISSION:**

On August 11, 2008, Arizona Public Service Company ("APS" or "Company") filed with the Arizona Corporation Commission ("Commission") an application for the sale and transition of certain facilities in Pinal County pursuant to A.R.S. § 40-285(A) and for deletion from its Certificate of Convenience and Necessity ("CC&N") of certain areas of Pinal County.

On August 13, 2008, the Electrical District No. 3 of Pinal County ("ED3") filed an application to intervene in this proceeding.

On September 12, 2008, by Procedural Order, ED3's application to intervene was granted.

On October 31, 2008, the Commission's Utilities Division ("Staff") issued a letter stating that the Company had met the sufficiency requirements in this matter.

On January 5, 2009, APS filed Joint Transition Plan of APS and ED3 and Requests for Waiver of Certain Rules Pursuant to A.A.C. R14-2-212(I) and Specific Language to Effectuate Such Plan.

On January 29, 2009, a Procedural Conference was held to discuss the procedural schedule for this matter.

1 The Commission now issues this Procedural Order to govern the preparation and conduct of  
2 this proceeding.

3 IT IS THEREFORE ORDERED that the **hearing** in this matter shall commence on **April 2,**  
4 **2009, at 10:30 a.m.,** or as soon thereafter as is practical, at the Commission's offices, 1200 West  
5 Washington, Hearing Room 100, Phoenix, Arizona 85007.

6 IT IS FURTHER ORDERED that **the Staff Report in this matter shall be filed on or**  
7 **before March 18, 2009.** The Staff Report shall include copies of any documents that Staff intends to  
8 submit as exhibits during the evidentiary hearing.

9 IT IS FURTHER ORDERED that **any direct testimony and associated exhibits to be**  
10 **presented at the hearing on behalf of intervenors shall be reduced to writing and filed on or**  
11 **before March 18, 2009.**

12 IT IS FURTHER ORDERED that APS **shall file a written response to the Staff Report and**  
13 **any intervenor's testimony on or before March 27, 2009.** The response shall include copies of any  
14 documents that APS intends to submit as exhibits during the evidentiary hearing.

15 IT IS FURTHER ORDERED that **any substantive corrections, revisions, or supplements**  
16 **to the application, pre-filed testimony, the Staff Report or any responses thereto shall be**  
17 **reduced to writing and filed on or before March 30, 2009.**

18 IT IS FURTHER ORDERED that intervention shall be in accordance with A.A.C. R14-3-105,  
19 except that **all motions to intervene must be filed on or before March 18, 2009.**

20 IT IS FURTHER ORDERED that **any objections to intervention shall be filed on or before**  
21 **March 27, 2009.**

22 IT IS FURTHER ORDERED that any motions filed in this matter that are not ruled upon by  
23 the Commission within 20 calendar days of the filing date of the motion shall be deemed denied.

24 IT IS FURTHER ORDERED that any responses to motions shall be filed within five calendar  
25 days of the filing date of the motion.

26 IT IS FURTHER ORDERED that any replies shall be filed within five calendar days of the  
27 filing date of the response.

28 IT IS FURTHER ORDERED that APS shall provide public notice of the hearing in this matter, in

the following form and style, with the heading in no less than 12-point bold type and the body in no less than 10-point regular type:

**PUBLIC NOTICE OF HEARING ON THE APPLICATION OF  
ARIZONA PUBLIC SERVICE COMPANY  
FOR THE SALE AND TRANSFER TO ELECTRICAL DISTRICT NO. 3 OF  
CERTAIN ELECTRICAL FACILITIES IN PINAL COUNTY AND THE  
DELETION FROM ITS CERTIFICATE OF CONVENIENCE AND  
NECESSITY OF CERTAIN AREAS IN PINAL COUNTY  
(Docket No. E-01345A-08-0426)**

**Summary**

On August 11, 2008, Arizona Public Service Company ("APS") filed an application with the Arizona Corporation Commission ("Commission") pursuant to A.R.S. 40-285(A), for the sale of certain electrical facilities in Pinal County to Electrical District No. 3 ("ED-3") and for deletion from its Certificate of Convenience and Necessity of certain areas in Pinal County. For the sole purpose of this transaction, APS has requested a waiver of Arizona Administrative Code R14-2-212(I), which considers all customer information to be confidential. The waiver requests a one-time approval for APS to provide ED-3 with customer-specific information such as customer name, address, billing rate, energy usage, etc. only from those APS customers that will be transferred to ED-3 and only upon approval of the Application. The information will continue to be held on a strictly confidential basis by ED-3 and used only for the purposes of providing electrical service. APS also requested a waiver of AAC R14-2-203(A)(2) and specific language authorizing impacted customers to remain eligible to participate in the Commission's Renewable Energy Standards ("RES") and APS' Demand Side Management ("DSM") programs up to the date on which the Commission approves APS' application for the sale of its electrical facilities.

If the Application is approved, approximately 4,000 APS customers who reside in the Maricopa and Stanfield areas will be transferred to ED-3. It is important to note that existing ED-3 customers will NOT be impacted by this transition and their account information will continue to remain confidentially held by ED-3. APS has established a Web site with information regarding this application at [www.aps.com/ed3](http://www.aps.com/ed3) or you may call APS at 520-421-8455 with questions or you may contact ED-3 at its website [www.ed3online4.org](http://www.ed3online4.org).

**How You Can View or Obtain a Copy of the Application**

Copies of the application are available at APS' offices [COMPANY INSERT ADDRESS HERE] and at the Commission's Docket Control Center at 1200 West Washington, Phoenix, Arizona, for public inspection during regular business hours and on the Internet via the Commission's website ([www.azcc.gov](http://www.azcc.gov)) using the e-Docket function.

**Arizona Corporation Commission Public Hearing Information**

The Commission will hold a hearing on this matter beginning **April 2, 2009, at 10:30 a.m.**, or as soon thereafter as is practical, at the Commission's offices, 1200 West Washington Street, Hearing Room 100, Phoenix, Arizona. Public comments will be taken on the first day of the hearing. Written public comments may be submitted by mailing a letter referencing Docket No. E-01345A-08-0426 to Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007, or by e-mail. For a form to use and instructions on how to e-mail comments to the Commission, go to

1 [http://www.azcc.gov/divisions/utilities/forms/public\\_comment.pdf](http://www.azcc.gov/divisions/utilities/forms/public_comment.pdf). If you require  
2 assistance, you may contact the Consumer Services Section at 1-800-222-7000.

### 3 About Intervention

4 The law provides for an open public hearing at which, under appropriate  
5 circumstances, interested parties may intervene. Any person or entity entitled by law  
6 to intervene and having a direct and substantial interest in the matter will be permitted  
7 to intervene. If you desire to intervene, you must file a written motion to intervene  
8 with the Commission no later than **March 18, 2009**. You must send a copy of the  
9 motion to intervene to APS or its counsel and to all parties of record. Your motion to  
10 intervene must contain the following:

- 11 1. Your name, address, and telephone number and the name, address, and  
12 telephone number of any party upon whom service of documents is to be made,  
13 if not yourself;
- 14 2. A short statement of your interest in the proceeding (e.g., a customer of APS, a  
15 shareholder of APS, etc.); and
- 16 3. A statement certifying that you have mailed a copy of the motion to intervene  
17 to APS or its counsel and to all parties of record in the case.

18 The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except  
19 that all motions to intervene must be filed on or before **March 18, 2009**. If  
20 representation by counsel is required by Rule 31 of the Rules of the Arizona Supreme  
21 Court, intervention will be conditioned upon the intervenor obtaining counsel to  
22 represent the intervenor. For information about requesting intervention, visit the  
23 Commission's website at <http://www.azcc.gov/divisions/utilities/forms/interven.pdf>.  
24 The granting of intervention, among other things, entitles a party to present sworn  
25 evidence at the hearing and to cross-examine other witnesses. However, failure to  
26 intervene will not preclude any interested person or entity from appearing at the  
27 hearing and providing public comment on the application or from filing written  
28 comments in the record of the case.

### ADA/Equal Access Information

The Commission does not discriminate on the basis of disability in admission to its  
public meetings. Persons with a disability may request a reasonable accommodation  
such as a sign language interpreter, as well as request this document in an alternative  
format, by contacting the ADA Coordinator, Shaylin Bernal, at [SBernal@azcc.gov](mailto:SBernal@azcc.gov),  
voice phone number (602) 542-3931. Requests should be made as early as possible to  
allow time to arrange the accommodation.

IT IS FURTHER ORDERED that APS shall **mail to each customer affected by the transfer  
and all property owners in the transfer area** a copy of the above notice, and shall cause the above  
notice to be published at least once in a newspaper of general circulation in the transfer area service  
territory, such mailing and publication to be complete **by March 6, 2009**.

IT IS FURTHER ORDERED that APS shall file **certification of mailing and publication** as  
soon as possible after the mailing and publication has been completed, but **no later than March 30,  
2009**.

1 IT IS FURTHER ORDERED that notice shall be deemed complete upon mailing/publication  
2 of same, notwithstanding the failure of an individual to read or receive the notice.

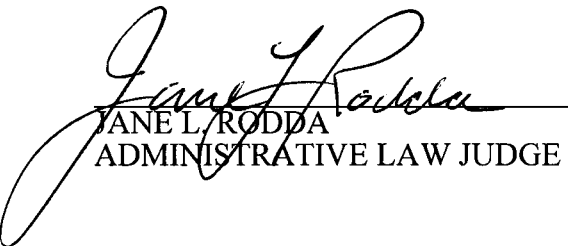
3 IT IS FURTHER ORDERED that all parties must comply with Rules 31 and 38 of the Rules  
4 of the Arizona Supreme Court and A.R.S. § 40-243 with respect to the practice of law and admission  
5 *pro hac vice*.

6 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113 - Unauthorized  
7 Communications) applies to this proceeding and shall remain in effect until the Commission's  
8 Decision in this matter is final and non-appealable.

9 IT IS FURTHER ORDERED that the time periods specified herein shall not be extended  
10 pursuant to Rule 6(a) or (e) of the Rules of Civil Procedure.

11 IT IS FURTHER ORDERED that the Presiding Officer may rescind, alter, amend, or waive  
12 any portion of this Procedural Order either by subsequent Procedural Order or by ruling at hearing.

13 DATED this 16<sup>th</sup> day of February, 2009.

14  
15  
16   
17 JANE L. RODDA  
ADMINISTRATIVE LAW JUDGE

18 Copies of the foregoing mailed/delivered  
19 This 16<sup>th</sup> day of February, 2009 to:

20  
21 Thomas L. Mumaw  
22 Meghan H. Grabel  
23 ARIZONA PUBLIC SERVICE COMPANY  
24 P.O. Box 53999  
Phoenix, Arizona 85072-3999

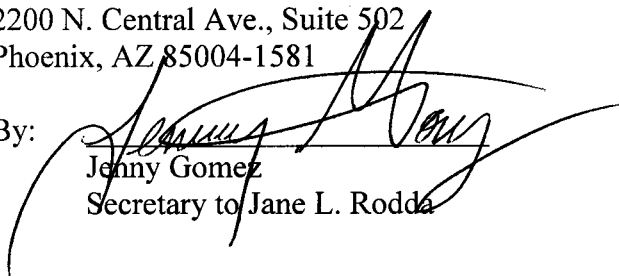
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4 Phoenix, Arizona 85007-2927

5 ARIZONA REPORTING SERVICE, INC.  
6 2200 N. Central Ave., Suite 502  
7 Phoenix, AZ 85004-1581

8 By:   
9 Jenny Gomez  
10 Secretary to Jane L. Rodda  
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